



City of Santa Barbara
Airport Department

DATE: November 18, 2009

TO: Airport Commission

FROM: Karen Ramsdell, Airport Director

SUBJECT: Lease Amendment Agreement – Siempre Manana, Inc.,
dba Service Master Commercial Building Maintenance

RECOMMENDATION:

That Commission approve and authorize the Airport Director to execute an amendment to Lease Agreement No. 200628 with Siempre Manana, Inc., a California Corporation, dba Service Master Commercial Building Maintenance, amending the "Premises", "Use", and "Rental" provisions to remove 1,600 square feet of paved land, at 100-A Clyde Adams Road, at the Santa Barbara Airport, effective November 1, 2009, for a new monthly rental of \$3,817, exclusive of utilities.

DISCUSSION:

The subject Premises is located south of Hollister Avenue in an Airport Facilities (AF) zone.

Siempre Manana, Inc. (Service Master) has been a tenant at the Airport since 1984, operating a commercial building maintenance service. The Premises are used for offices, crew training, dispatching, and storage. Three employees work at this location. The current lease was effective November 1, 2006 and ends on October 31, 2011.

On October 19, 2009, Service Master requested rent relief due to the prevailing economic climate. They asked that the yard in front of the loading dock be removed from the Premises and that the building rent remain the same for the next 12 months. Taking into consideration that commercial building rental rates in the Goleta Valley have been declining, the surface of the yard in question is in poor condition, and that Service Master is a long-time tenant in good standing, staff felt that the request was reasonable. The proposed adjustments to Lease No. 300628 will require amendment of the "Premises" and "Rental" provisions.

Since the current lease required Service Master to park in the yard area of the Premises, the "USE" provision of the Lease also requires amendment. Parking for six vehicles is provided for in the Lease, based on the square footage of the building. Service Master will pay an additional fee of \$14 each, per space per month for three

additional parking spaces to accommodate the remainder of its nine vehicles. The use conforms to existing zoning.

The proposed monthly rental of \$3775 for the building is based on a rate of \$1.18 per square foot and is comparable to other buildings on the Airport for similar use and in similar condition.

The total new monthly rental will be \$3,817. The total loss to the Airport will be \$313 per month or \$3,756 over a twelve-month period.

The proposed Lease Amendment Agreement was negotiated based upon the criteria set forth in Resolution 93-127, and has been reviewed and determined to be exempt from environmental review.

PREPARED BY: Business & Property Division

ATTACHMENT: Map